Sale of power generated in SEZs to domestic tariff area

1974. SHRI JAI PRAKASH NARAYAN SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the developer of a Special Economic Zone (SEZ) having captive power plant is empowered to sell the excess, surplus power to Domestic Tariff Area;

(b) if so, the surplus power is to be sold to the nearby industry directly or will it be routed through the State Electricity Board (SEB) or the Power Distribution Company as the case may be;

(c) whether the SEZ developer is to pay normal duties and taxes for the consumable and raw materials used for the surplus power generation;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) to (e) As per the existing guidelines on the matter, in case of power supplied from processing area to constituents in non-processing area or from processing area/non-processing area to Domestic Tariff Area, it should be at such a price as agreed by the regulator and the unit. For such clearance, the quantity of duty shall be leviable at such rate as may be notified as customs tariff by the Department of Revenue on the advice of the Ministry of Power and the Ministry of Commerce. Such power plants would ensure maintenance of separate meter for supply of power from processing area to constituents in non-processing area or from processing area to Domestic Tariff Area and amount of power so supplied should be submitted to the Unit Approval Committee for every quarter.

Conversion of existing business into SEZs

1975. SHRI JAI PRAKASH NARAYAN SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there is any policy for the industrial houses to convert their existing business into SEZ under the SEZ policy of the Government;

(b) whether it is a fact that the Finance Ministry had opposed, from the revenue angle, the proposal of the EGOM allowing certain industrial houses to convert their existing business into a SEZ;

(c) if so, the details thereof;

(d) whether it is also a fact that some industrial houses have approached the Government to convert their existing units into SEZs; and

(e) if so, the names of the companies and whether any approval has been accorded to the business houses in this regard?